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## **Andrea Mennicken** and **Fabian Muniesa** discuss underlying changes in understandings between citizens, government and regulation

The financial and managerial transformations that are frequently associated with New Public Management include among their prime rationales and key vehicles for implementation the transition from standards of public 'expenditure' to principles of public 'investment'. This transition implies an emphasis on the 'return' of public money and on the assessment of its capacity to 'create value'. The investment rationale that these transformations entail deserves further scrutiny. Considering something in the terms of an 'asset', i.e. in its capacity to create value from the perspective of an 'investor', involves not only a transformation of the thing/service under consideration. It redefines also the role and subjectivity in short, the very 'making up' (Hacking, 2002) of public service users and providers. It thus changes relations between government, citizens and regulation, and it leads to a redefining of understandings of democratic accountability.

To briefly examine this hypothesis, we focus on three areas of public service which have been exposed to the above mentioned modernisation policies: healthcare, higher education and the correctional services. We concentrate on France and the UK, where distinct styles of New Public Management have translated into particularly problematic processes of quantification and economisation. We suggest that the 'asset rationale' operates at both a political and cultural/anthropological level. On the one hand, it is characterised by rhetorical efficacy and practical habit. On the other hand, it also carries profound political significance. It determines which actor is best positioned to reason as an investor and, therefore, to take influence on the public policy domain, including relevant policy decisions about where 'investments' are to be made.

As most of its higher education sector continues to be considered a public good, the sector is not subject to the same market-oriented logic as most of the other public services.

Service. Such initiatives can change prison values; prison officers and governors may lose sight of traditional prison values, such as rehabilitation, prisoners' decency, safety and security, but also prisoner staff morale and job satisfaction. With the private security corporations new stakeholders have entered the picture: investors (such as banks) and shareholders (e.g. shareholders of security corporations which are globally operating and cross-listed on multiple stock markets). Punishing people has thus turned into a business, an activity for which also monetary returns are sought.

A shift to the vernaculars of economic 'value creation' can be identified in all three empirical fields. This shift involves the development of a particular culture in the conduct of public administration or, put differently, a new form of considering what the state consists of. Prisons, hospitals and universities are put to the test in a very specific understanding of their economic viability; the services they 'produce' are gauged from the point of view of an investor. The state does thus not

